

**HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION
SHIMLA**

M.A.No.106/2011

**Case
No. 224 of 2010**

In the matter of: **Subsidy to be provided by the Govt. of H.P. on account of rollback of tariff in respect of Domestic and WIPS categories in the Himachal Pradesh State Electricity Board Limited schedule of tariff, 2011 approved in the Multi Year Tariff Order of the Second Control Period (FY12 - FY14), in accordance with Section 65 of Electricity Act, 2003 – Issuance of Consequential Order.**

In the matter of: **Himachal Pradesh State Electricity Board Limited, Vidhyut Bhawan, Shimla-171004.**

ORDER

20.07.2011

The Commission had given direction in the Tariff Order for Financial Year 2011-12 issued on 19.07.2011, that it would issue consequential order to give effect to the subsidy that the State Government may provide, which shall not be construed as amendment of the tariff.

Accordingly the Himachal Pradesh State Electricity Board limited (hereinafter called “the HPSEBL”) vide M.A. No. 106/2011 dated 20th July, 2011 has submitted the application for issuance of the consequential order to give effect to the subsidy, which the State Government has agreed, in principle, to provide to Domestic and WIPS categories.

In view of the in principle decision of the Government of Himachal Pradesh for granting subsidy to domestic and agricultural consumers for Financial Year 2011-12 to the tune of Rs.166.00 crores in accordance with provisions of section 65 of the Electricity Act, 2003, the Commission in terms of sub-regulation (5) of Regulation 42 of the Himachal Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011 in giving effect to the subsidy hereby makes the following consequential provisions :-

1. The effective energy charges for Domestic Supply (DS) category, as proposed by the State Government after accounting for Government subsidy, shall now be as follows: -

Description	Unit/month	Tariff for Current Year as approved by the Commission	Govt. of HP Subsidy (In Rs./Unit)	Effective Tariff after subsidy
BPL Consumers	0-40	2.10	1.40	0.70
Other Consumers	0-40	2.35	1.35	1.00
	0-125	2.50	1.40	1.10
	126-250	3.45	1.25	2.20
	Above 250	3.50	0.25	3.25
	Prepaid Consumers	2.50	1.40	1.10

2. With respect to consumers under Water and Irrigation Pumping Supply (WIPS) category, the energy charges shall be Rs. 0.50 per kWh to the consumer category upto 20KW under single part tariff and Rs. 0.50 per kVAh only for LT category under two part tariff. These revised energy charges on the account of Government subsidy would only be applicable to agricultural and allied activities, and which are paid for by individuals/ user groups.
3. The above revised tariffs in respect of DS and WIPS categories shall be effective retrospectively from 1.04.2011. The Board shall give appropriate adjustments in the bills for the subsidy amount.
4. The Commission orders that subsidy amount shall be paid in advance, to the HPSEBL as per the provisions of Section 65 of the Electricity Act, 2003, and reconciled after every quarter. The HPSEBL is directed to submit quarterly report regarding the payment of subsidy as well as the outstanding amount, if any. In case the State Government fails to pay the subsidy, as per the provisions of section 65 of the Act, the tariffs in respect of above two categories shall stand reverted back to the original tariff, as approved the Commission in its tariff order issued on 19.07.2011.

Shimla

Dated: 20th July, 2011

-sd/

(Subhash Chander Negi)

Chairman